



## North Carolina Department of Health and Human Services

Michael F. Easley, Governor

Carmen Hooker Odom, Secretary

### Division of Mental Health, Developmental Disabilities and Substance Abuse Services

3001 Mail Service Center  
Raleigh, North Carolina 27699-3001  
Tel 919-733-7011 • Fax 919-508-0951  
Michael Moseley, Director

### Division of Medical Assistance

2501 Mail Service Center  
Raleigh, North Carolina 27699-2501  
Tel 919-857-4011 • Fax 919-733-6608  
L. Allen Dobson, Jr. MD, Assistant Secretary for  
Health Policy and Medical Assistance

July 13, 2006

### MEMORANDUM

TO: Legislative Oversight Committee  
Local CFAC Chairs  
NC Council of Community Programs  
County Managers  
State Facility Directors  
LME Board Chairs  
Advocacy Organizations  
MH/DD/SAS Professional and Stakeholder Organizations

Commission for MH/DD/SAS  
State CFAC  
NC Assoc. of County Commissioners  
County Board Chairs  
LME Directors  
DHHS Division Directors  
Provider Organizations

FROM: L. Allen Dobson, Jr., MD *LAD mb*  
Mike Moseley *MM/m*

SUBJECT: Enhanced Service Authorizations #12 Value Options Implementation

We have been closely monitoring the authorizations timelines and the quality of the requests for the authorization of existing and new services. As a result, we are aware of certain challenges and issues that have occurred as we move to the new prior authorization process and the transfer of authorizations from the LMEs to ValueOptions (VO).

As we have expressed in previous communications, our first and foremost commitment is to make sure that consumers continue to receive services. If a provider is providing services with an authorization by a LME or VO, and has submitted a request to VO for approval, it is critical that the provider does not stop services if it has not heard from VO. Providers should continue to provide services. As long as the appropriate information is submitted, there will not be a gap in the authorization currently being used and the VO authorization. We will not permit the July 15<sup>th</sup> date to be the critical factor. The critical components for providers are: (a) there is a current authorization; and (b) the provider has submitted to VO a complete package requesting authorization. The provider is not at risk as long as these two components have been met and all other Medicaid rules have been followed. Any denial of authorization will have as an effective the date the provider and the consumer or the consumer's legal representative is notified. The denial date will not be retroactive.

As mentioned in the July 10<sup>th</sup>, Update #11 memo, it is critical that a complete package is submitted to VO. Along with the service request, this includes the PCP/treatment plan and documentation to support medical necessity. Copies of service orders may be requested if the new PCP form is not being used.

DMA-DMH JOINT COMMUNICATION MEMORANDUM

July 13, 2006

Page 2

Providers will receive a fax confirmation from VO once request for authorization is received. If a provider has not received a confirmation, but has submitted a request, the provider should contact VO via phone or email. The provider should not resend any information until receiving direction from VO.

If you have any questions concerning these matters, please contact Carol Robertson ([carol.robertson@ncmail.net](mailto:carol.robertson@ncmail.net)) or Tara Larson ([tara.larson@ncmail.net](mailto:tara.larson@ncmail.net)). Both can be reached by phone at (919) 855-4260.

cc: Secretary Carmen Hooker Odom  
Allyn Guffey  
Dan Stewart  
DMH/DD/SAS Executive Leadership Team  
Mark Benton  
William Lawrence, MD  
Tara Larson  
Carol Robertson  
Kaye Holder  
Wayne Williams  
Lynette Tolson